



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
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May 13, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS: APPROVAL OF REQUEST FOR
APPROPRIATION ADJUSTMENT TO THE ROAD FUND FOR SETTLEMENT OF
THOMAS V. COUNTY OF LOS ANGELES LAWSUIT
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Public Works requires a \$1,500,000 Appropriation Adjustment to provide the necessary funds to pay Fiscal Year 2007-2008 settlements in the Road Fund.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve the Request for Appropriation Adjustment transferring \$1,500,000 from the Fiscal Year 2007-2008 Road Fund's Services & Supplies Appropriation to the Road Fund's Other Charges Appropriation to provide the additional funds necessary for settlement of the Thomas v. County of Los Angeles lawsuit.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended action is to provide the funds necessary to pay the negotiated settlement of \$2,700,000 by approving the attached Request for Appropriation Adjustment (Appropriation Adjustment) transferring \$1,500,000 from the Fiscal Year 2007-2008 Road Fund's Services & Supplies Appropriation to the Road Fund's Other Charges Appropriation for the litigation settlement.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

The settlement request and a summary of the facts of the case were presented to your Board in closed session on September 11, 2007.

Implementation of Strategic Plan Goals

The County Strategic Plan directs that we provide Fiscal Responsibility (Goal 4). The approval of the Appropriation Adjustment will make funds available to pay the settlement with Mr. Thomas. The settlement avoided further litigation expenses and avoided a potential adverse verdict should the case have proceeded to trial.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The funds necessary for the Appropriation Adjustment are available in the Fiscal Year 2007-2008 Road Fund Services & Supplies Appropriation. Upon your Board's approval of the attached Appropriation Adjustment, sufficient funding will be available in the Fiscal Year 2007-2008 Road Fund Budget Appropriation for Other Charges for the cost of this litigation settlement. The balance of funding to finance this settlement (\$1.2 million) will come from existing financing remaining in the Road Fund Budget Appropriation for Other Charges.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On July 20, 2004, Mr. Thomas was riding his motorcycle north on Godde Hill Road, a two lane, winding mountain road in the Antelope Valley, when he lost control of the motorcycle on a curve and collided with the guardrail. He was thrown from his motorcycle and sustained severe and permanent spinal cord injuries and is a paraplegic. Plaintiff alleged that the curve needed speed advisory and curve warning signs, and that the lack of appropriate signage created a dangerous roadway condition, which was a contributing factor and cause of the accident. The County of Los Angeles (County) denies that the roadway was in a dangerous condition. The County contends that Godde Hill Road was reasonably and properly signed and that traffic controls at the time afforded appropriate positive guidance for motorists traversing the numerous curves in the road, including the subject location. The case was mediated several times during the course of litigation. The settlement called for the County to pay \$2,700,000 to settle all claims in the case.

Potential damages, should the case proceed to trial, could exceed this amount.

The Honorable Board of Supervisors
May 13, 2008
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ENVIRONMENTAL DOCUMENTATION

The proposed Appropriation Adjustment is not related to a project and is exempt from the provisions of the California Environmental Quality Act (CEQA) Guidelines, in accordance with Section 15378 (b)(5). This section stipulates organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment are not a project.

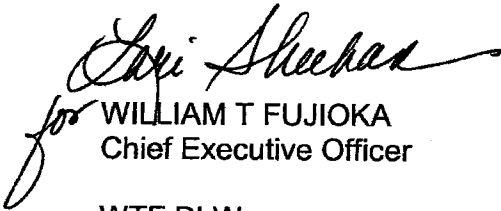
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Funding claim and litigation settlement payments reduce the funds available to finance other road services we provide to County residents.

CONCLUSION

Please return one adopted copy of this letter to the Department of Public Works, Mapping & Property Management Division.

Respectfully submitted,


for WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DLW
PAP:mr

Attachment

c: Auditor-Controller (Accounting Division - Asset Management)
County Counsel
Department of Public Works (Budget/Fund Management, Programs Development)

COUNTY OF LOS ANGELES

DEPTS.

REQUEST FOR APPROPRIATION ADJUSTMENT
DEPARTMENT OF PUBLIC WORKS

NO. 690

March 4, 2008

AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FISCAL YEAR 2007-08
3-VOTE BUDGET ADJUSTMENT

SOURCES

USES

PW - Road Fund

B03-PW-2000-47000

Services and Supplies

1,500,000

DECREASE APPROPRIATION

PW - Road Fund

B03-PW-5500-47000

Other Charges

1,500,000

INCREASE APPROPRIATION

\$1,500,000

\$1,500,000

JUSTIFICATION

This adjustment is necessary to provide sufficient appropriation in Other Charges to cover the Thomas Case Claim Board settlement.

(Control No. 08-18)

CHIEF ADMINISTRATIVE OFFICER'S REPORT

DEAN D. EFSTATHIOU, ACTING DIRECTOR

REFERRED TO THE CHIEF
ADMINISTRATIVE OFFICER FOR--

ACTION

APPROVED AS REQUESTED

AS REVISED

AUDITOR-CONTROLLER

NO. 178

BY Mark Fung
3/20/68

APPROVED (AS REVISED):
BOARD OF SUPERVISORS

CHIEF ADMINISTRATIVE OFFICER

BY

DEPUTY COUNTY CLERK